

CLASSIFICATION SECRET/SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY  
INFORMATION REPORT

COUNTRY

Hungary

SUBJECT

Positions of Soviet Advisors and  
Technicians in Factories and  
Government Ministries

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In Hungary all the Soviet advisors and technicians do work in the mixed companies  
only. (By mixed companies those composed of both Hungarians and Soviets).  
Previously they worked in German industry. When the Soviets took over the Hungar-  
ian alumina and aluminum industry it was 50% German. Now the mixed companies are  
so set up that the president of a company is Hungarian and the general manager a  
Soviet. As a result all negotiations were handled by the Soviets. [redacted]  
[redacted] in the large alumina factory in Almasfuzito the ratio was two Soviets to one  
Hungarian.

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There are no Soviets in the ministries; they are found mostly in industry. The  
Soviets have separate offices in Budapest and communicate with the Hungarians on  
the highest level only.

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The Central Control Commission employed between 300 and 400 people all of whom  
were Soviets. All mixed companies came under the control of this commission. [redacted]  
[redacted] ts in the Ministry of Industry, although there were a

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Their prime interest is management. A  
general manager, who is a technician himself, has a staff of three to four Soviet  
technicians to assist him. They all assist in development of the aluminum indust-  
ry. From 1946 [redacted] the caliber of Soviet technicians was only mediocre.  
[redacted] these technicians are better paid than the Hungarian technicians. The  
Soviet officials have cars of their own, receive free lodging and have two large  
stores similar to US post exchanges where they can purchase food and beverages.  
There is no need for them to do any shopping in Hungarian stores.

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On two occasions while  
around the conference

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There is a great difference in the so-called high level and low level Soviets. The Hungarian Communists were accustomed to seeing a minister and his driver eat at the same table, however, the Soviet officials would have none of this. A Soviet official would not be seen speaking to another Soviet of lower level. Since the high level Soviet makes more money, he is in a position to choose his friends and put on a good front.

In late 1951 approximately 5000 men were arrested in Prague, all of whom were Jews. There seemed to be greater hatred toward the Slovak Jew than toward the Hungarian Jew.

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